

Texas energy efficiency and conservation program and revolving fund

SB 959 by Ellis, Moncrief (Junell)

DIGEST:

SB 959 would have created the Texas Energy Efficiency and Conservation Program (EECP) and Revolving Fund, authorized the issuance of up to \$100 million in revenue bonds to fund energy programs and made changes to the Oil Overcharge Restitutionary Act. The bill would have transferred the duties of the Governor's Energy Management Center to the General Services Commission, which would have administered the EECP. The authority to finance projects and administer Oil Overcharge Fund grant programs would have been shifted from the Governor's Office to the Legislative Budget Board (LBB). The governor would have had final approval of actions of the LBB. Oil overcharge funds from the Transportation Energy Program could have been used for the transportation of public school children and the transportation of inmates to local correctional facilities.

GOVERNOR'S REASON FOR VETO:

" . . . Parts of this bill are worthwhile and even laudable, such as the bond program for low income home energy assistance. I regret that the veto includes what could have been a good benefit. Other provisions require this bill to be vetoed.

"The federal court decisions and regulations of the Department of Energy require the involvement of the Governor in the process of receiving oil overcharge funds and directing their use. The federal law provides:

'(b) As soon as practicable, the Secretary of Energy shall disburse designated petroleum violation escrow funds to the Governors of the States in accordance with the formula set forth in subsection (d).

(c) Amounts disbursed to the Governor of any state shall be used by the Governor as if such funds were received under one or more energy conservation programs. The Governor shall identify to the Secretary within one year after the time of disbursement the energy conservation programs or programs to which the funds are or will be applied.'

"An unauthorized change in the administration of the funds could jeopardize the entire program. The bill would limit the role of the Governor to final approval of actions of the LBB. Further, the

constitutional separation of powers provision requires that this should be an executive function and not a legislative one."

"The bill transfers the employees who currently administer this programs to the General Services Commission without transferring the appropriations to pay them. Without other action to provide funds to pay these employees, the General Services Commission would be required to move funds from other programs or lay off the employees."

RESPONSE: Sens. Rodney Ellis and Mike Moncrief, the authors of SB 959, and Rep. Robert Junell, the House sponsor, had no comment.

NOTES: SB 959 was analyzed in Part One of the May 25 *Daily Floor Report*.